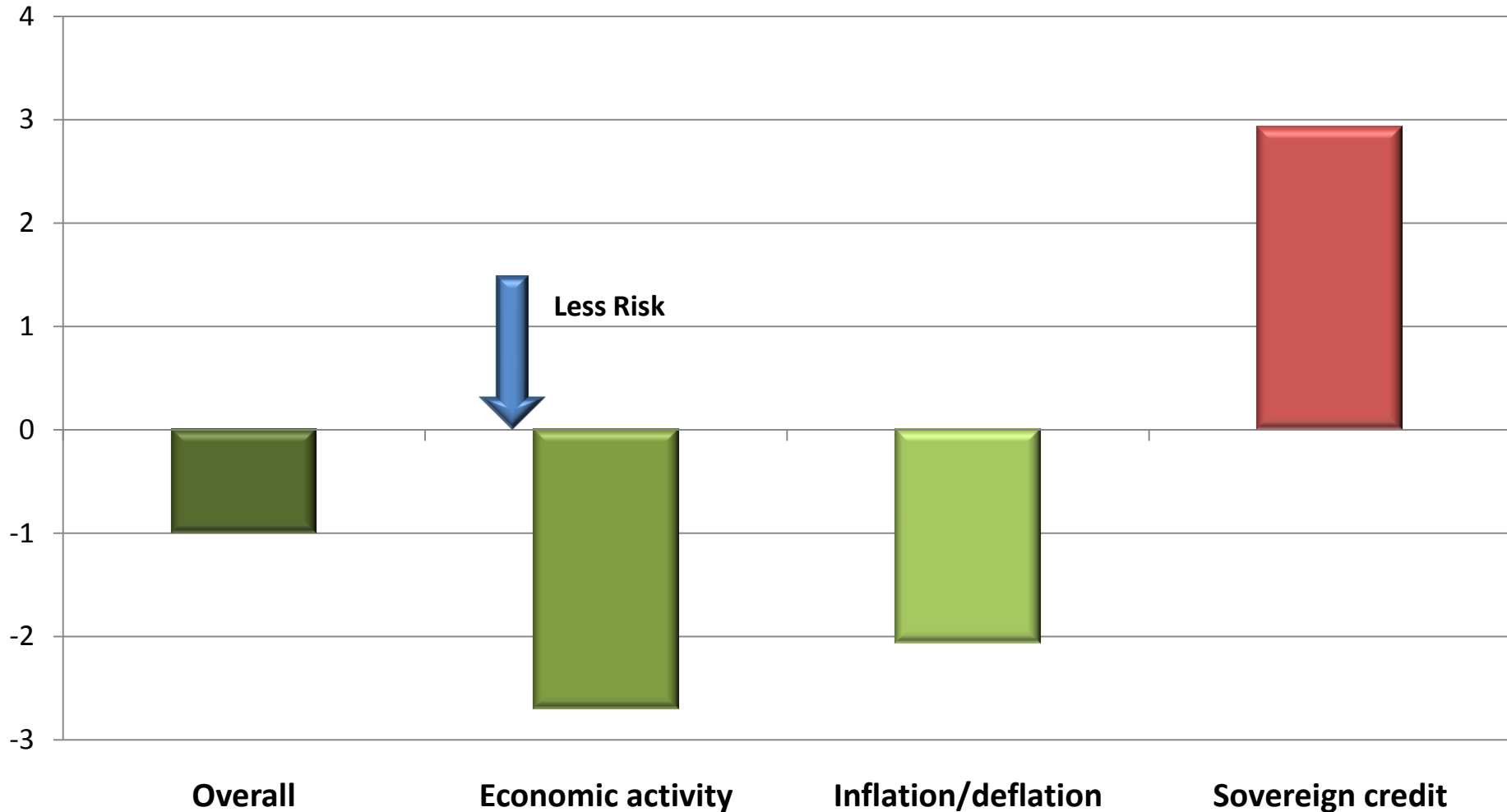


Figure 1

Macroeconomic Risks to Global Economy

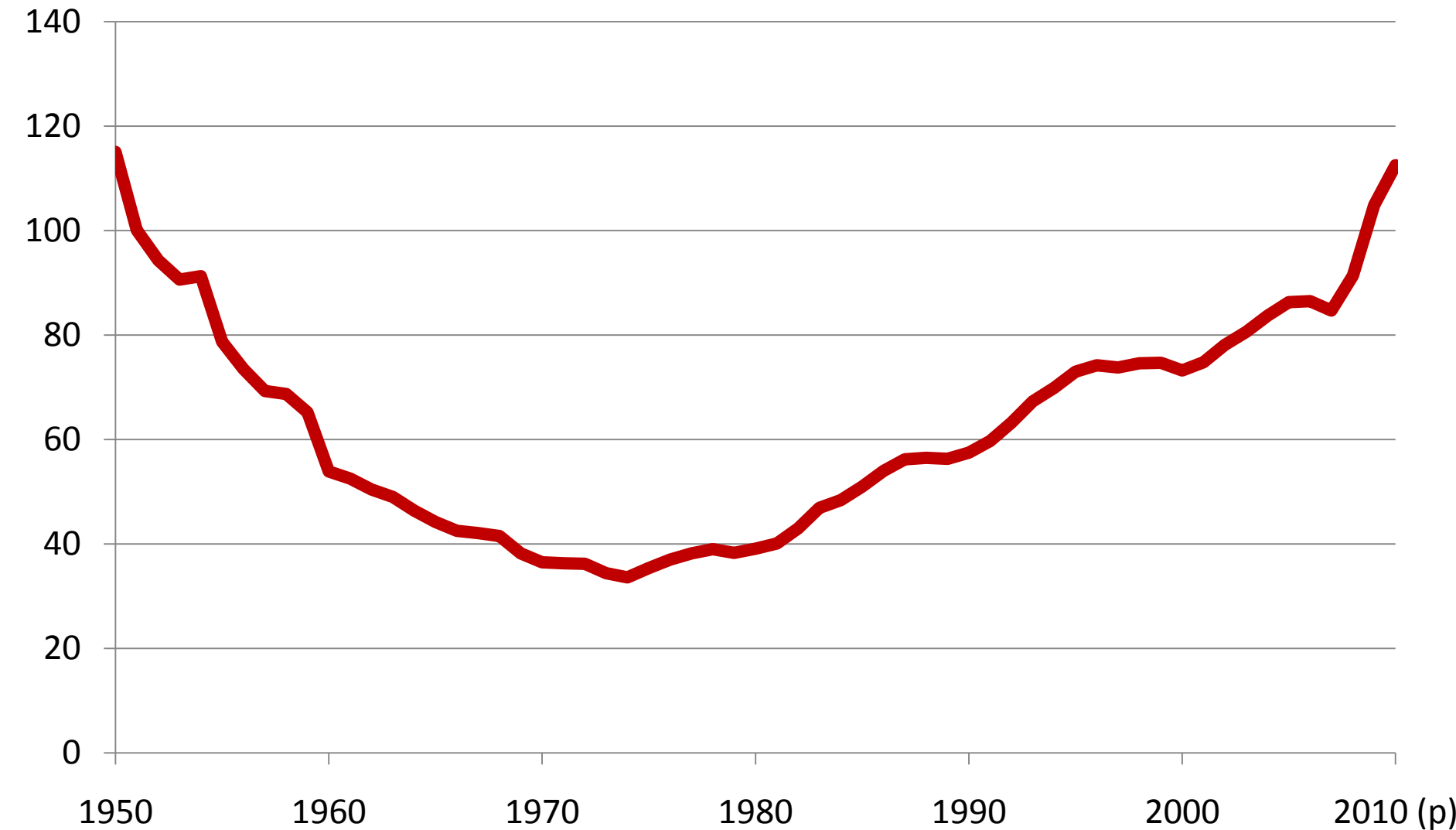
Change since October 2009



Source: IMF Global Financial Stability Report, April 2010

Footnote: The IMF updates its risk assessment for the global economy every 6 months. Since last October, overall economic activity has improved but global sovereign credit has deteriorated sharply.

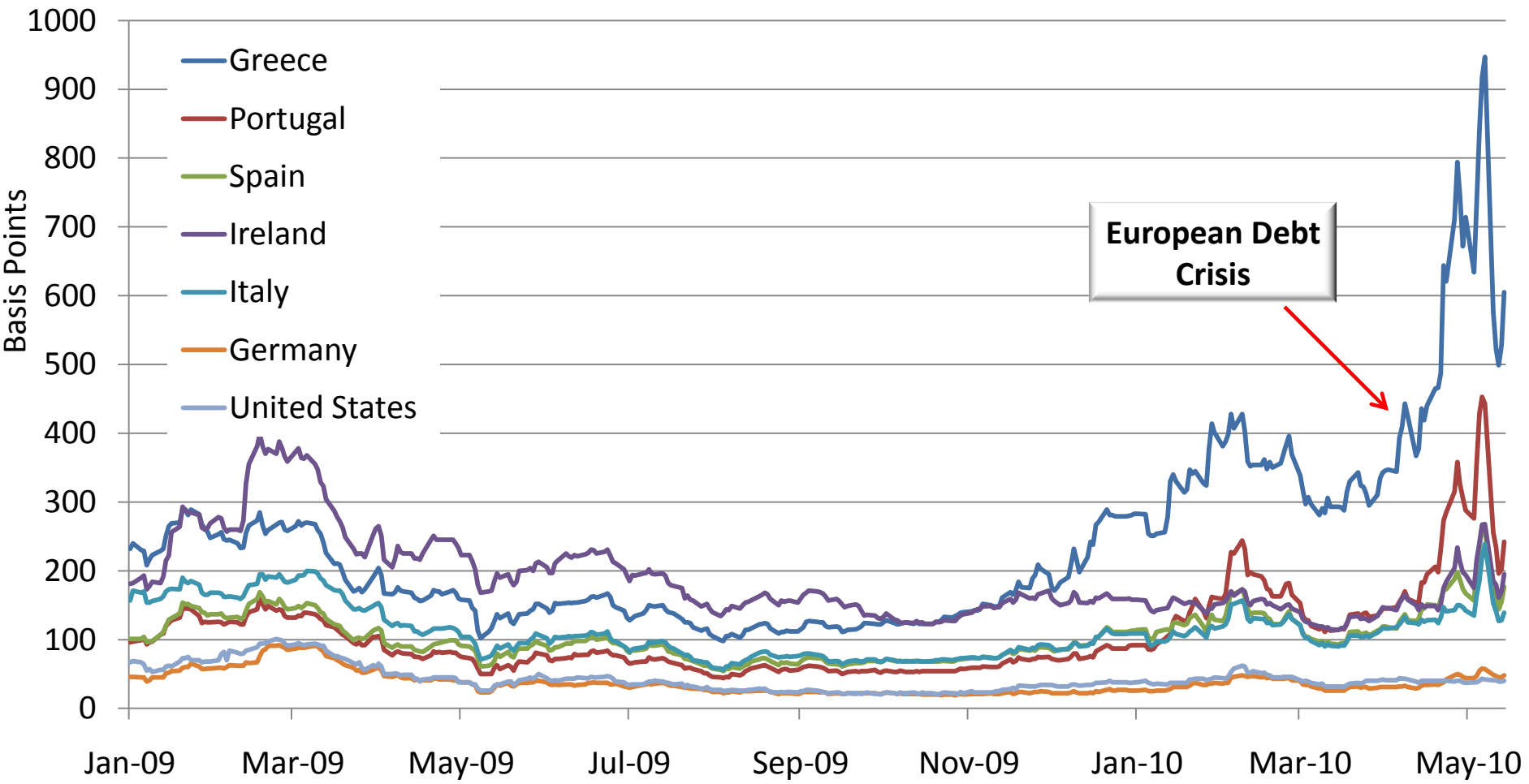
Figure 2
Sovereign Debt to GDP in the G-7
in percent



Source: IMF Global Financial Stability Report, April 2010

Figure 3
Cost of Insurance Protection on
Sovereign Debt

5-year CDS on Bonds



Source: Bloomberg

Figure 4

PIIGS vs. U.S

<u>Country</u>	<u>Spending¹</u> <u>(% of GDP)</u>	<u>Debt²</u> <u>(% of GDP)</u>
Portugal	51%	77%
Ireland	48%	64%
Italy	52%	116%
Greece	50%	115%
Spain	46%	53%
US	38% ³	53% ⁴

1. Data from Eurostat, total general government expenditure as % of GDP, unless otherwise noted.

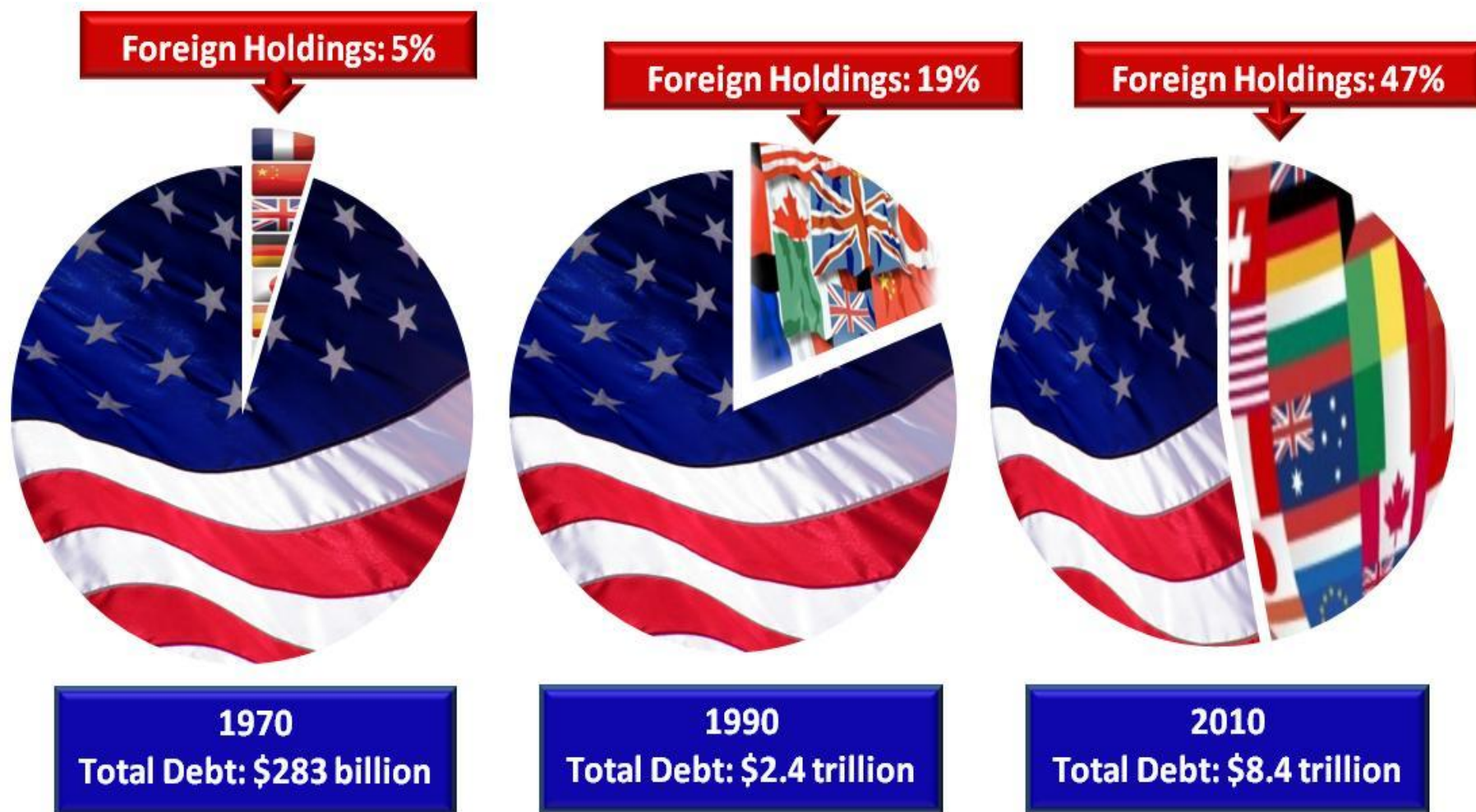
2. Data from Eurostat, general government consolidated gross debt as % of GDP, unless otherwise noted.

3. Includes federal, state and local spending.

4. Debt held by the public as measured by the Congressional Budget Office.

Figure 5

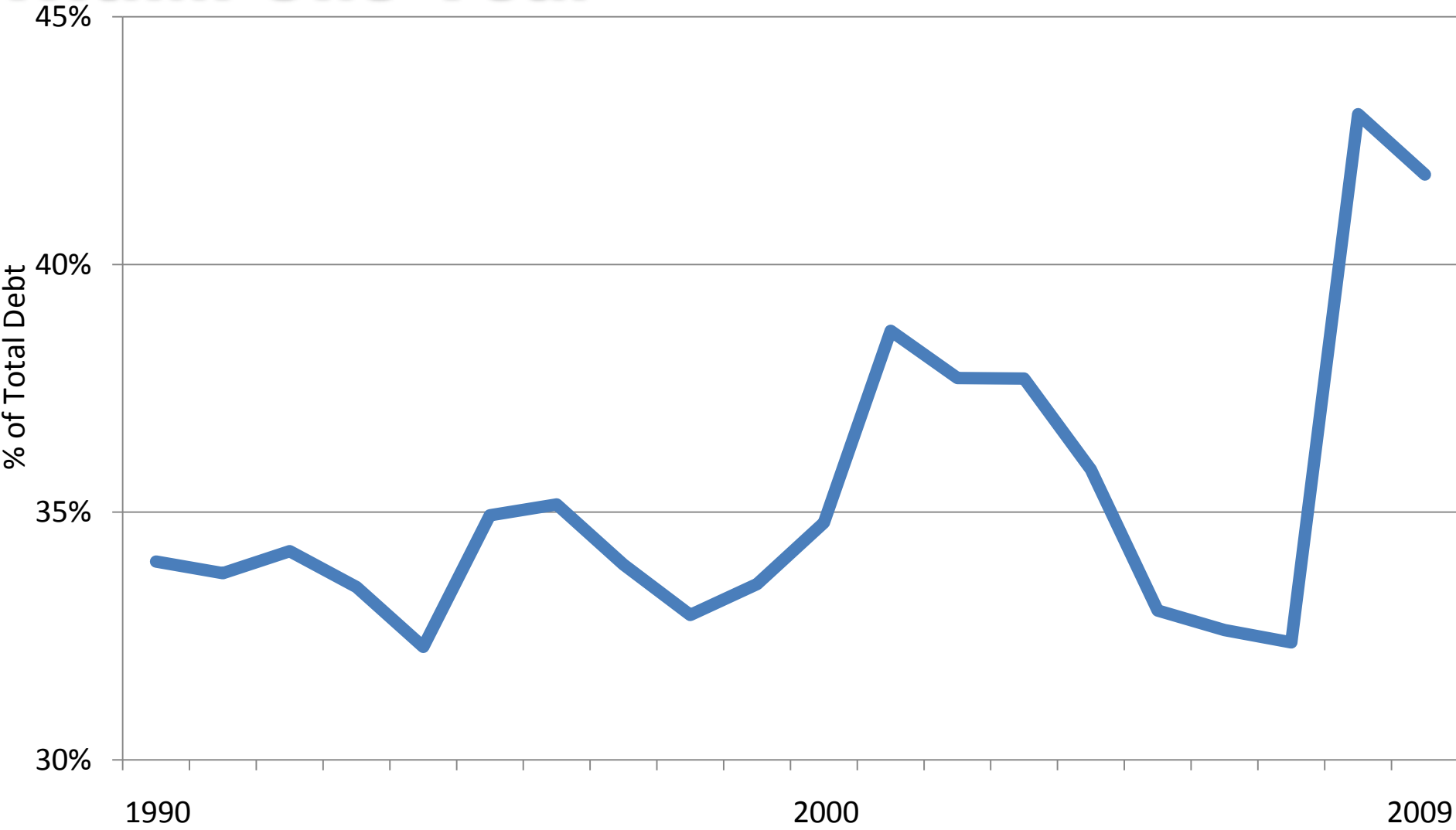
Who Owns Our Debt?



Source : U.S. Department of Treasury

Figure 6

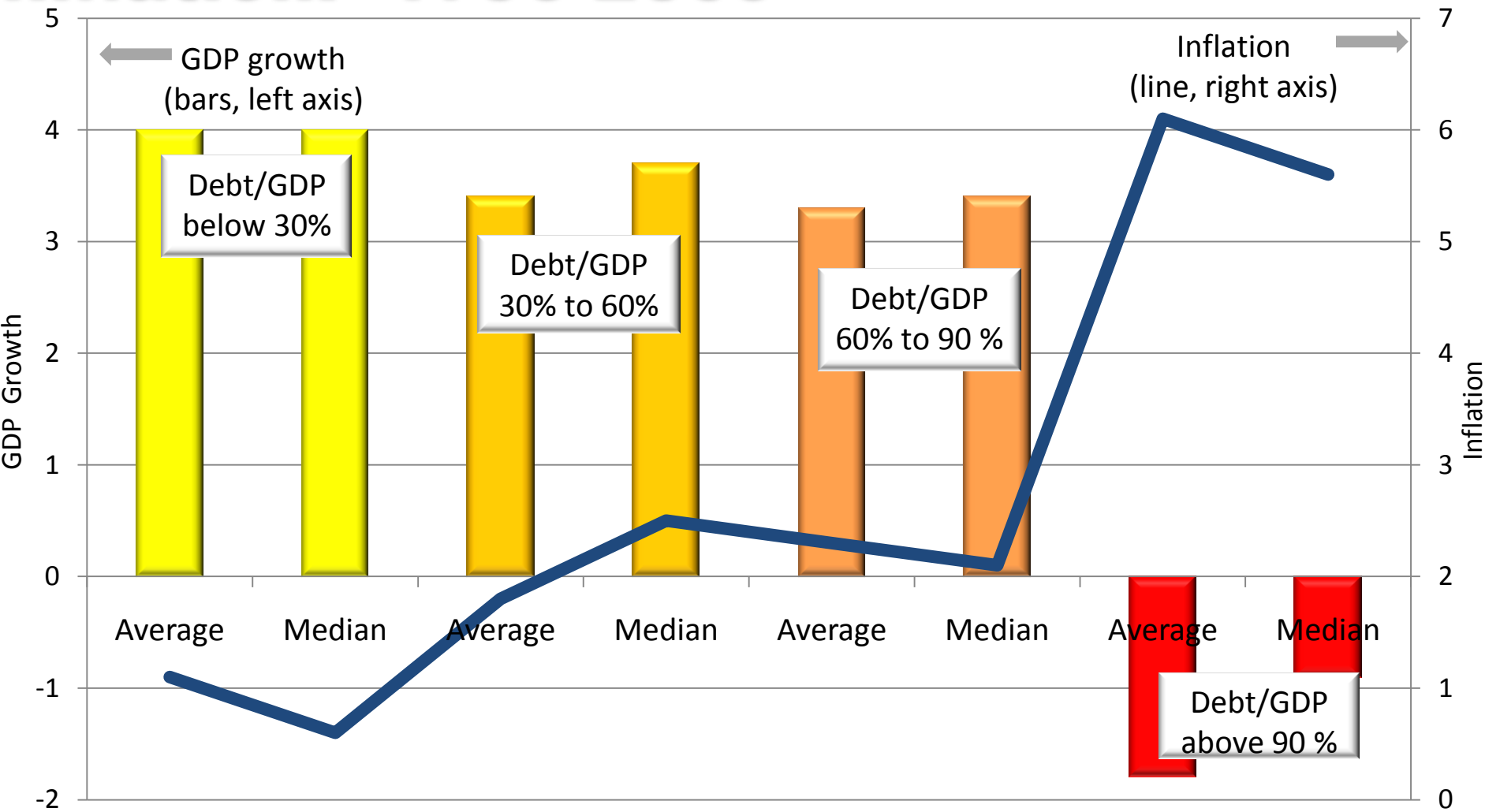
U.S. Treasury Debt Maturing Within One Year



Source: Economic Report of the President

Figure 9

U.S. Government Debt, Growth and Inflation: 1790-2009



Source: Reinhart and Rogoff, "Growth in a Time of Debt" in American Economic Review, Vol. 100 No. 2, May 2010

Figure 10

The Ring of Fire

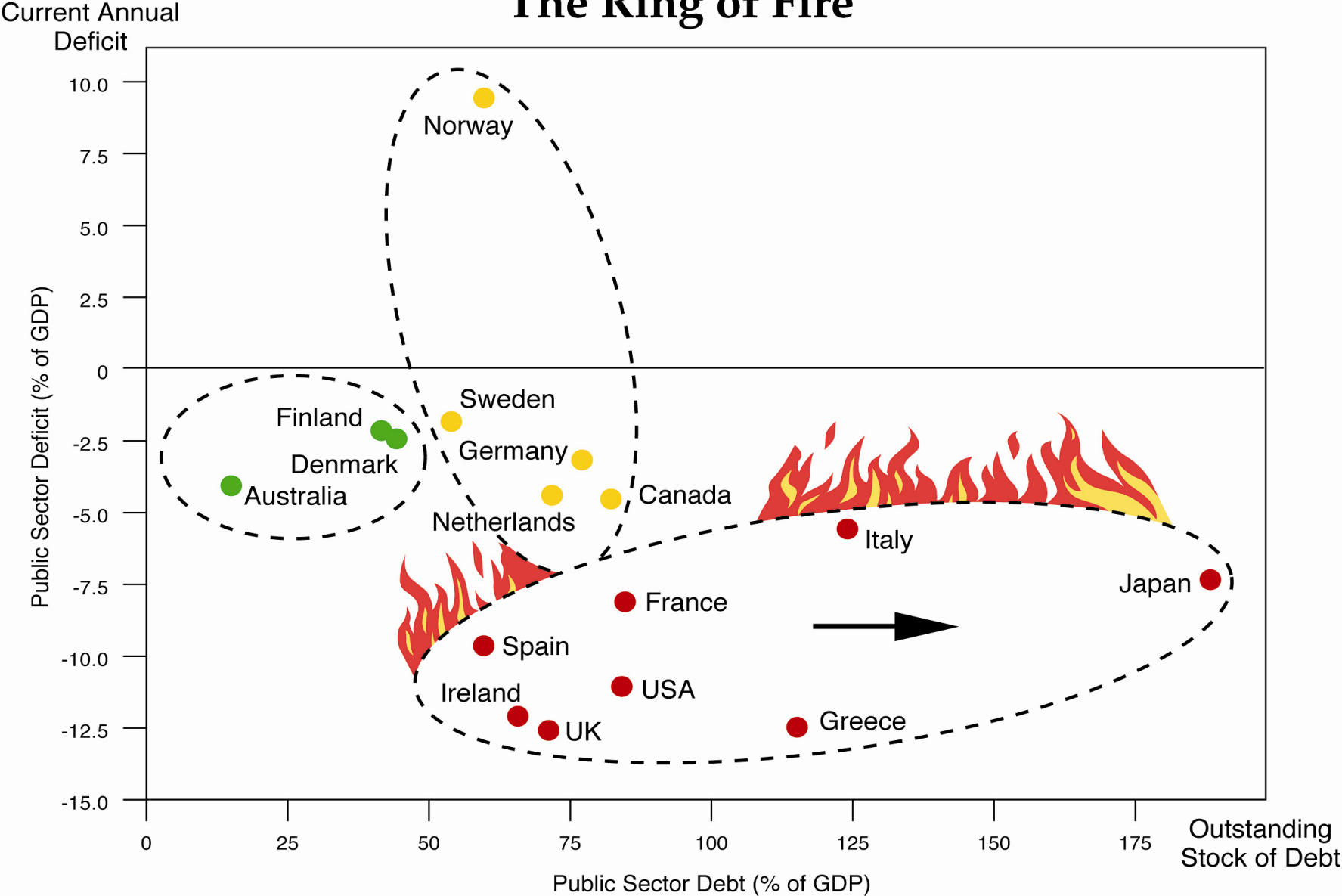
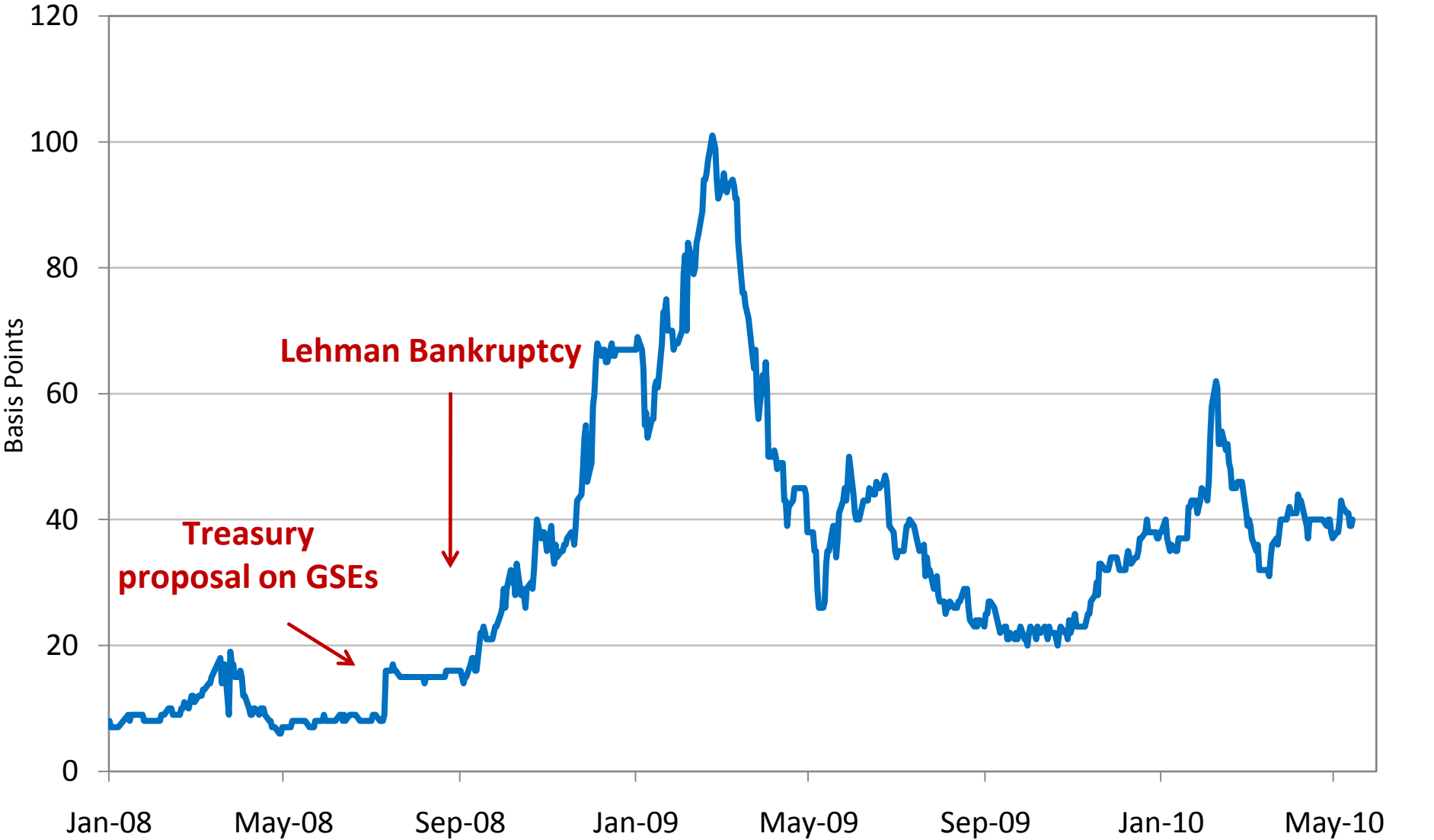


Figure 11

Cost of Insurance on U.S. Treasury Bonds

U.S. 5 Year CDS

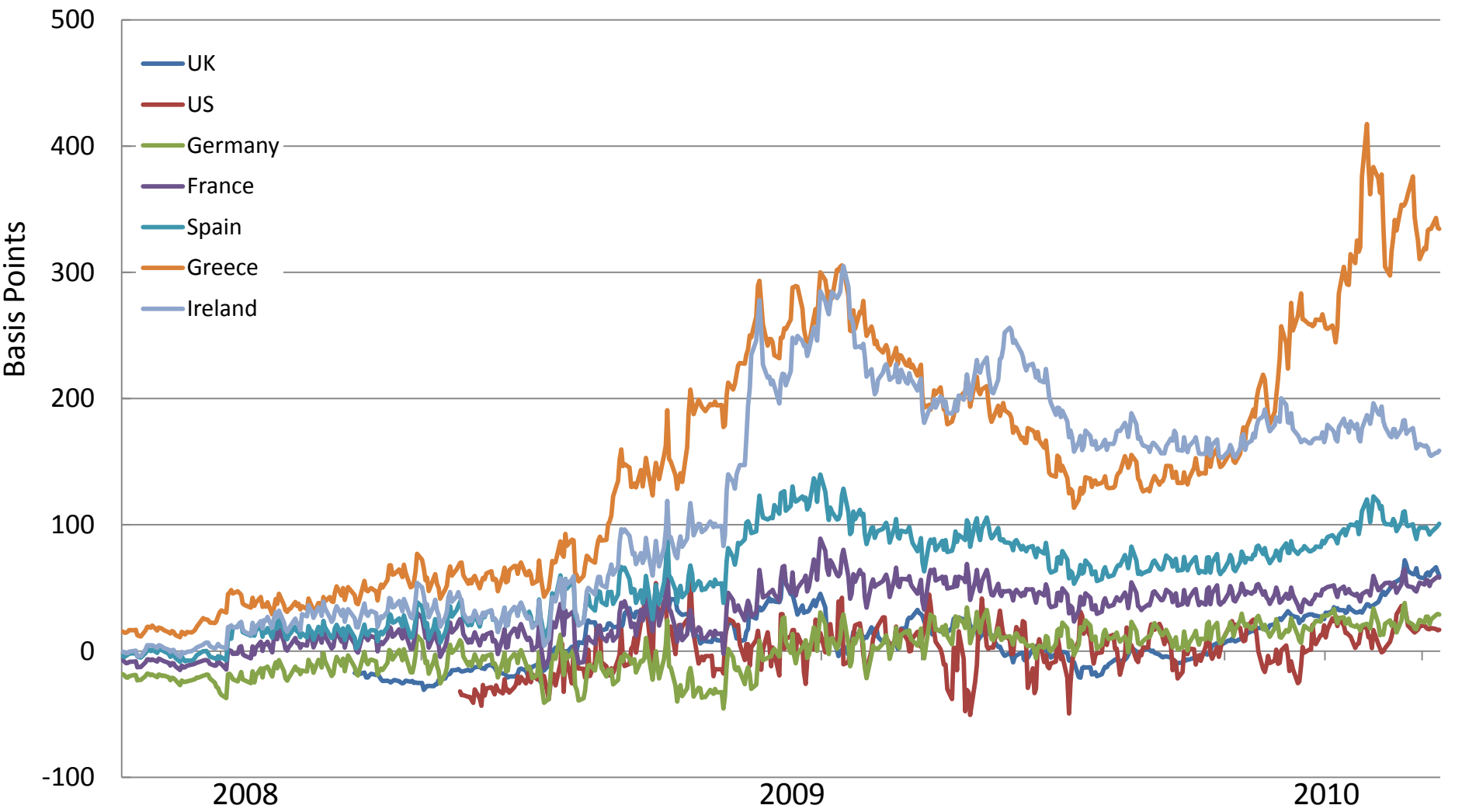


Source: Bloomberg

Figure 12

OIS Adjusted Sovereign Bond Spreads

10 Years

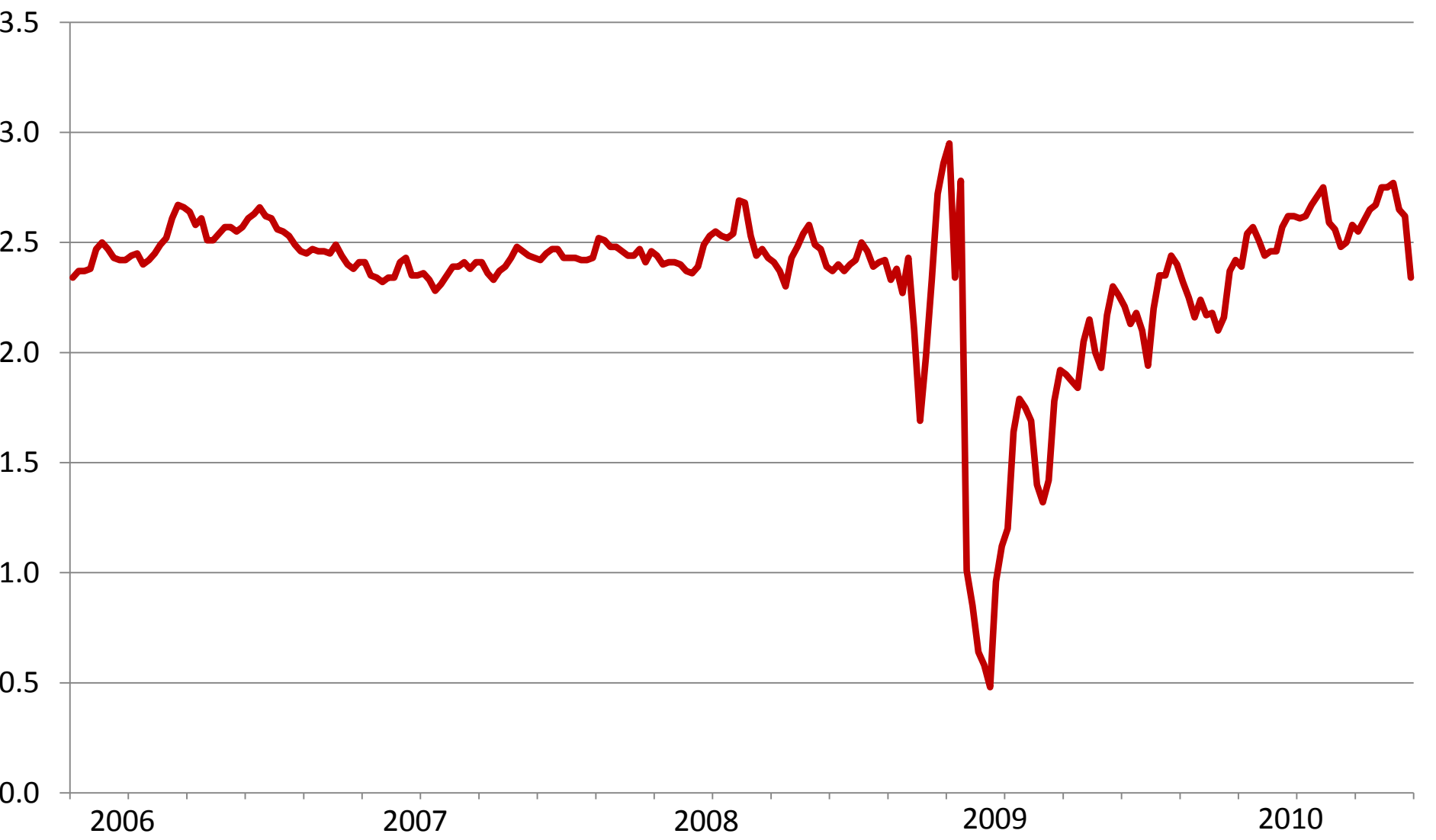


Source: Lloyds TSB Corporate Markets Economic Research

Figure 13

Financial Market Inflation Expectations

Difference between Nominal and Inflation-Protected Treasury Bonds

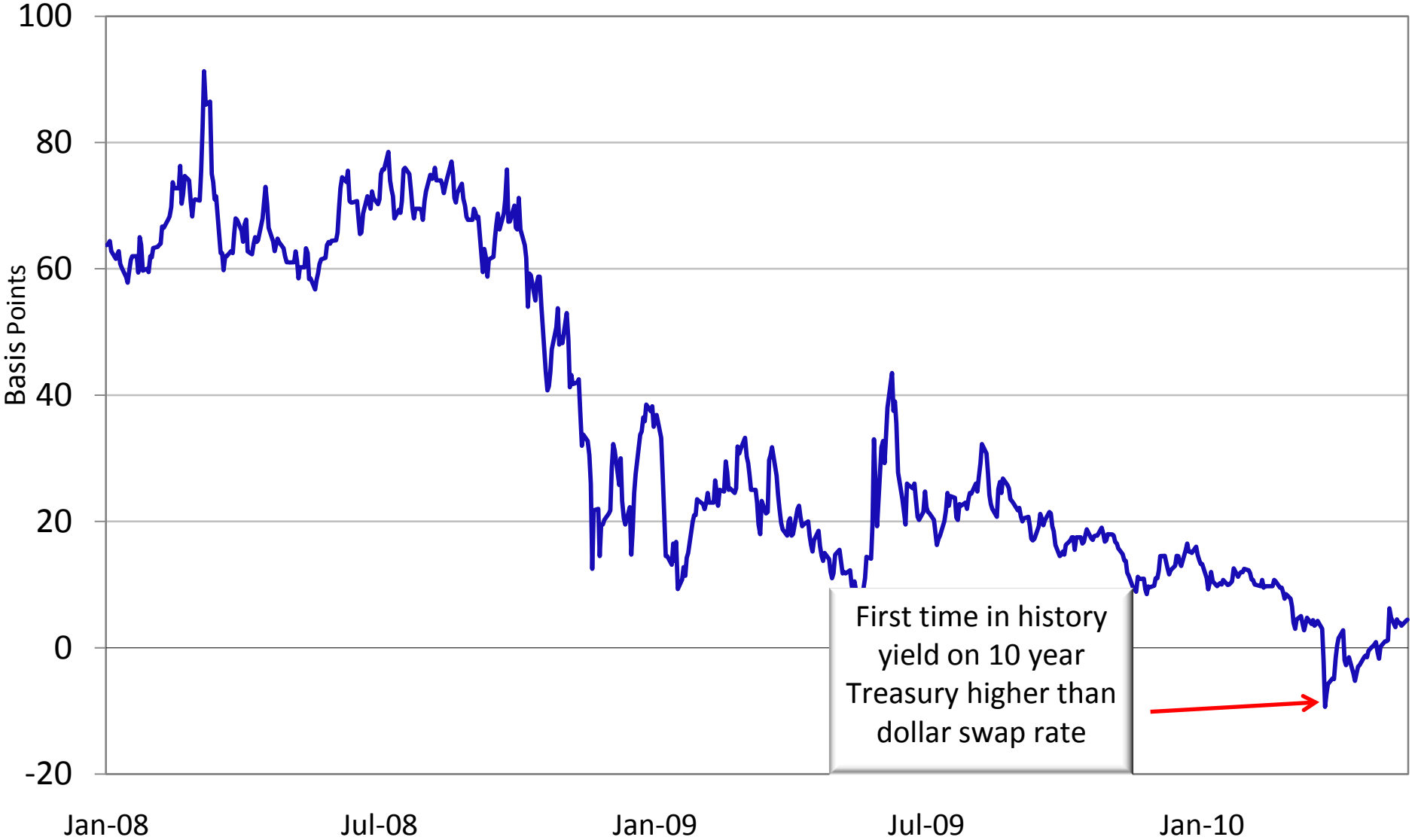


Source :Federal Reserve Board/ Haver Analytics

Figure 14

10 Year Swap Spread

10 Year Dollar Swap Rate over 10 Year Treasury Yield



Source: Bloomberg

Figure 7

Greece vs. California

5 Yr Credit Default Swaps for Greece and California

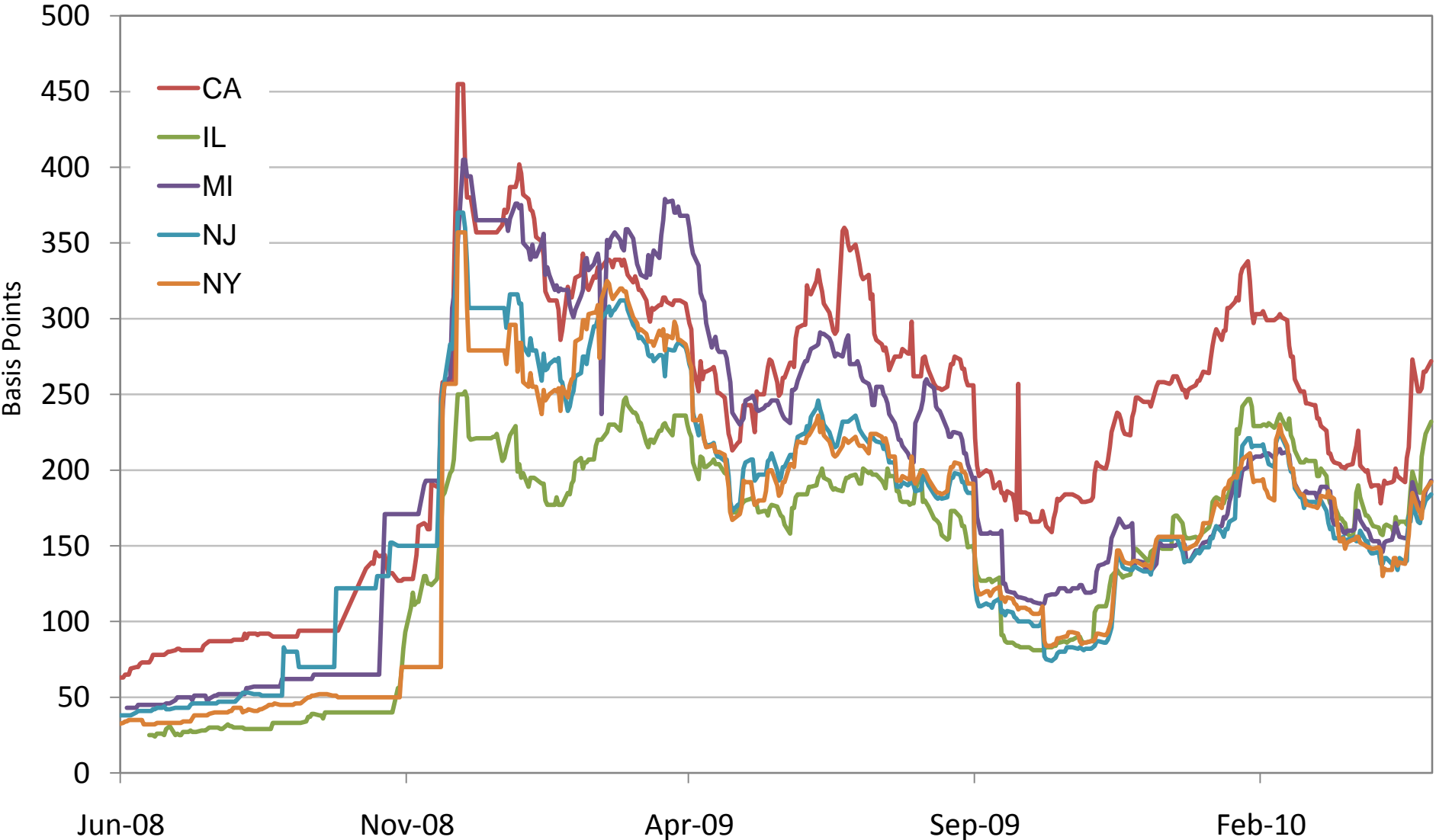


Source: Bloomberg

Figure 8

States in Fiscal Peril

Credit Default Swaps for States with Large Fiscal Problems



Source: Bloomberg